

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
Public Benefit Analysis
Small-Issue Industrial Development Bond Programs and Projects
May 23, 2007 Allocation

Small-Issue Industrial Development Bonds (IDBs) are tax-exempt private activity bonds that are issued through state and local governmental agencies to assist manufacturing facilities finance capital expenditures. Today, most IDBs support expansions of existing manufacturing. IDBs offer considerable interest rate savings to small and midsize manufacturers in contrast to conventional loans. When used by manufacturers, IDBs serve to retain and create new jobs within their communities.

The California Debt Limit Allocation Committee (“Committee”) is responsible for administering California’s annual tax-exempt private activity bond program, known as “the annual State ceiling”. For calendar year 2007, California’s State ceiling is approximately \$3.099 billion. Each year the Committee divides the annual State ceiling among several bond programs, known as “Program Pools”, including the Small-Issue Industrial Development Bond Project Pool. For calendar year 2007, the Committee reserved \$68 million, or 2.2%, of the State ceiling for the IDB Project Pool. The \$68 million of bond authority will be allocated throughout the 2007 program year.

The Committee awarded \$18,285,375 million to Small-Issue Industrial Development Bond Projects on May 23, 2007. This represents 27% of the \$68 million IDB Project Pool and .6% of the 2007 \$3.098 billion State ceiling.

The Small-Issue Industrial Development Bond project funded on May 23, 2007 will create a total of 107 new jobs and retain a total of 13 existing jobs in Los Angeles and San Joaquin Counties. Of these, 105 new and 13 retained jobs are in the City of Commerce, 2 new and no retained jobs are in the Town of Linden.

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Program Pool	Allocation Amount	Number of Projects	Number of New Mngmt Jobs	Number of New Skilled and Semi-Skilled/Jobs	Number of New Unskilled Jobs	Total Number of New Jobs Created	Weighted Average Hourly Wage	Total Number of Jobs Retained
Small-Issue Industrial Development Bond Project Pool	\$8,285,375	1	2	0	0	2	\$25.00	0
Small-Issue Industrial Development Bond Project Pool	\$10,000,000	1	5	50	50	105	\$16.01	13
TOTALS	\$18,285,375	2	7	50	50	107	\$20.50	13